



# DEFENSE LOGISTICS AGENCY

AMERICA'S COMBAT LOGISTICS SUPPORT AGENCY



## **DRAFT ADC 484 Procedures for Processing Depot Returns (including Receipt, SDR, and Proposed Revision to Time Standard for Reclassification of SCC K Assets)**

**Submitted as DDC 484 ARC  
(Staffed as FDC 403 ARC)**

**Meeting 12-2**

**DLA Logistics Management  
Standards**



# Discussion Topics

- Objectives of Joint Supply PRC/SDR Subcommittee Meeting
- Overview and Background
- Detailed Procedure Revisions under Draft ADC
  - SCC H & Automatic Disposal
  - Storage Activity Receipt
  - Enhanced SDR Data Content
  - SCC K Reclassification Time Standard
  - Overarching Business Rules for Unidentified/Suspended Materiel
  - SDR Distribution – Retrograde/Returns
  - SCC K Reclassification Time Standards
- Next Steps



# Objectives

- Review procedure changes pending final approval
  - Initial staffing as PDC 403; re-staffed as PDC 403A
  - Comments received thus far have been addressed
  - Lacking final review concurrence from Army, Air Force, and Marine Corps
- Ensure consensus for approach identified for unauthorized/unidentified retrograde/returns
- Discuss alternatives or enhancements (Component input during meeting)
- Identify open actions/responsible party



# DRAFT ADC 484 - Overview

- Clarify/document procedures for DLA Distribution Depot processing and automatic disposal of materiel identified as SCC H, Unserviceable (Condemned)
  - Revise dollar value associated with automatic disposal
- Revise the time standard for reclassification of materiel identified in SCC K, Suspended (Returns)
- Revise procedures for receipt of discrepant/unauthorized returns/retrograde:
  - Establish designated owner account based on the Military Service responsible for the return
  - Receipt and SDR sent to designated owner account
  - SDR to include enhanced data content
  - SDR copy sent to returning activity
  - Billing for associated reimbursable costs by DLA



## Detailed Procedures - SCC H & Automatic Disposal

- Identified SCC H materiel > \$500 (vice \$100) subject to automatic disposal
- Exceptions to automatic disposal procedures:
  - DEMIL Codes: B, C, D, E, F, G or P
  - CIIC: A-H, K, L, O, Q, R, S, T, 5, 6, 8, 9
  - Water Type Cargo Codes: A and 4 (indicating radioactive substance or materiel)
  - GSA, AJ2, B17, and AF ALC stock per prior coordination with DLA Distribution
- SCC H retained during receipt pending (eliminating automatic conversion to SCC K)
- SDR to the owner requesting disposition



## **Detailed Procedures - Overarching Business Rules for Unidentified/Suspended Materiel**

- No automatic disposal of unidentified materiel
- Unidentified new procurement materiel requires immediate off-line coordination for stock number
- Non-procurement receipts of discrepant/unauthorized returns/retrograde shipments, report receipt and SDR to the owner or the designated DoD Component owner account if the actual owner is not known
- Suspended condition SDRs require sufficient secondary materiel identification and supplemental information to process the SDR and provide disposition:



# **Enhanced SDR Data Content**

## **(Unidentified/Suspended Condition Non-Procurement Receipts)**

- **Materiel Identification**
  - Required
  - If no NSN, LSN, or part number, primary materiel ID = FSC plus descriptive name: “FSCXXX-XXXXXXXXXX” (max 15 positions)
- **Manufacturer’s CAGE Code**
  - Required with part number or FSC-based ID
  - Zero-fill when not available
- **Description/Commodity Name.**
  - Required with FSC-based ID (max 25 positions)





# Enhanced SDR Data Content (cont'd)

- Bare Item Markings
  - Required with FSC-based ID
  - UIDs, serial numbers, other bare item markings, or, if none, remarks block so indicating: “Bare Item Markings N/A.”
- Contract Number Reference.
  - Required for non-procurement receipts in a suspended status
  - Returns retaining contract number from original packing, otherwise state “None”
- Original Packaging Indicator.
  - Required for non-procurement receipts in a suspended status
  - Yes/no indicator for original unopened packaging





# Enhanced SDR Data Content (cont'd)

- Returning Activity
  - Required for discrepant/unauthorized returns
  - Returning activity identified as information copy recipient
- Location of Unidentified Materiel
  - The bin location number/storage location will be provided to facilitate locating the unidentified materiel for inspection or a later disposition action.



# **SDR Distribution - Discrepant Retrograde/Returns**

- Action Copy
  - Intended owner unknown
  - Return not authorized/no Prepositioned Materiel Receipt (PMR)
  - SDR directed to Service-level default owner account
- Information Copy
  - Returning activity notified
  - If response provided with additional information, all parties would be notified



# Detailed Procedures - SCC K Reclassification Time Standards

- If actual SCC is not known, materiel will be receipted in SCC K
- SDR will be provided to the ICP
- The time standard for reclassification of materiel in SCC K is broken down into two parts:
  - The owner/manager will have 50 days to respond to the SDR
  - The depot will have 30 days to complete the reclassification upon direction of the ICP
  - The overall time standard for the SDR processing between the storage activity and the owner/manager and the storage activity time to complete reclassification of SCC K materiel is revised to 80 days overall



# Next Steps

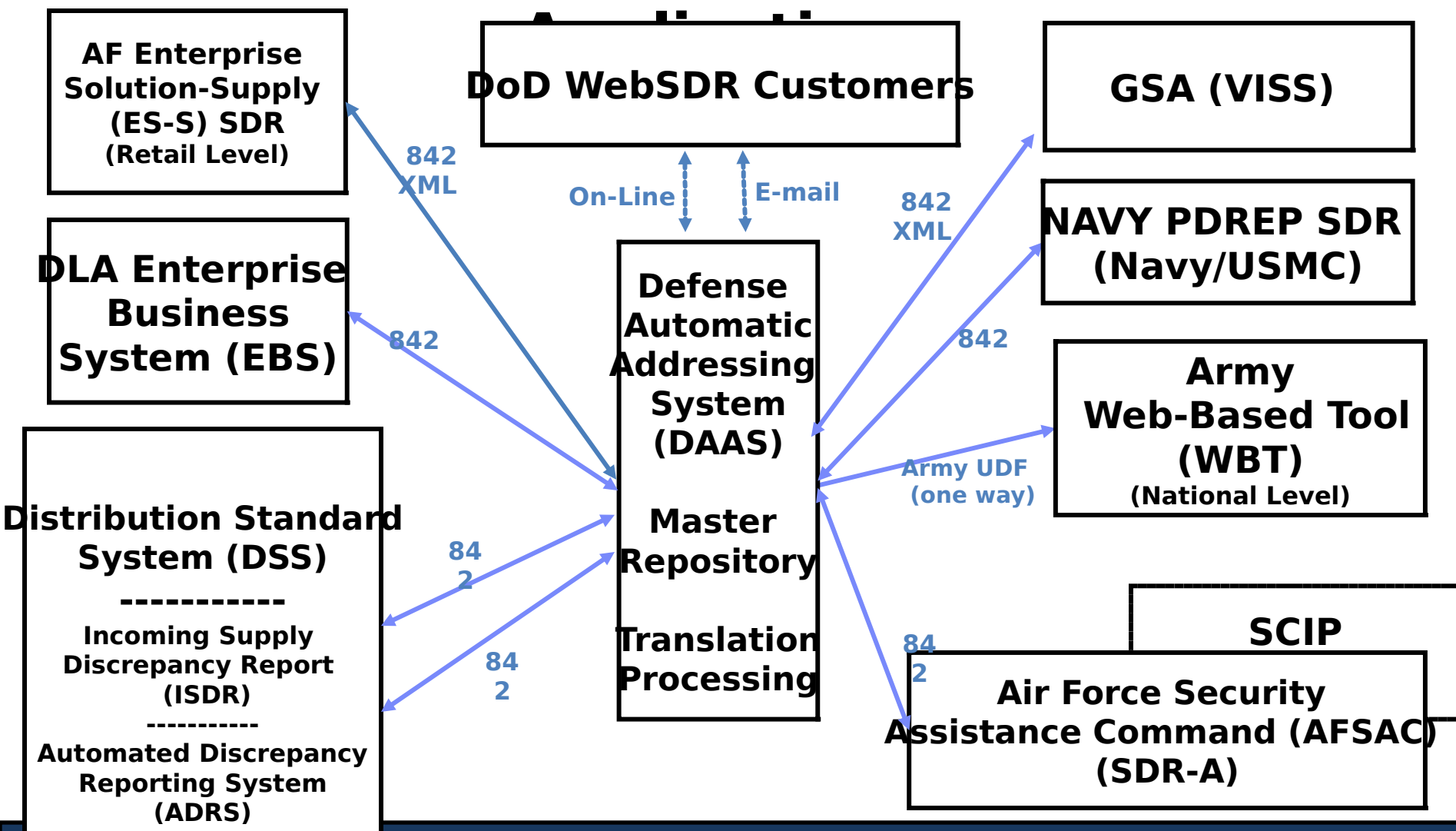
- Component feedback required: Concurrence or alternative approach
- Component designated default owner RIC
  - SDRs must be monitored and timely response provided
- Components disseminate guidance prohibiting unauthorized returns
- Army provide routing rules for below National-level SDRs
- DLA Distribution option to pursue reimbursable costs for unauthorized returns
  - Establish procedures for direct billing to the returning activity



# Back-up Slides



# DLMS SDR Information Exchange Integrating Component SDR





# Exclusion Criteria by Demilitarization Code

B	USML Items - Mutilation to the point of scrap required worldwide.
C	USML Items - DEMIL required. Remove and demilitarize installed key point(s).
D	USML Items - DEMIL required. Destroy item and components to prevent restoration or repair to a usable condition.
E	DoD Demilitarization Program Office (DDPO) reserves this code for their exclusive-use only. DEMIL instructions will be furnished by the DDPO.
F	USML Items - DEMIL required. Item/Technical Managers or Equipment/Product Specialists will furnish Special DEMIL instructions.
G	U.S. Munitions List (USML) Items - DEMIL required - Ammunition and Explosives (AE). This code applies to both unclassified and classified AE items.
P	USML Items - DEMIL required. Security Classified Items.





# Exclusion Criteria by Controlled Inventory

## Item Code

- A Confidential - Formerly Restricted Data
- B Confidential - Restricted Data
- C Confidential
- D Confidential - Cryptologic
- E Secret - Cryptologic
- F Top Secret - Cryptologic
- G Secret - Formerly Restricted Data
- H Secret - Restricted Data
- K Top Secret - Formerly Restricted Data
- L Top Secret - Restricted Data
- O Unclassified Naval Nuclear Propulsion Information; Unclassified NWRM
- Q Drug or Other Controlled Substance
- R Precious Metals, A Drug or Other Controlled Substance
- S Secret
- T Top Secret
- 5 Highest Sensitivity - Secret AA&E
- 6 Highest Sensitivity - Confidential AA&E
- 8 High Sensitivity - Confidential AA&E
- 9 Controlled Cryptographic Item



## MILSTRIP, Chapter 9:

*"U.S. Government activities returning materiel are cautioned that the returning activity may be held responsible for costs incurred by the receiving activity when discrepancies are reported and validated using SDR procedures (DLAI 4140.55 et al. and DLAI 4140.60 et al.). This includes returns made in violation of prescribed materiel returns procedures, returns exhibiting packaging discrepancies, and returns of reparable items unaccompanied by required technical data. Recoupment action by the ICP against the initiator may include all cost reimbursable actions performed by the receiving activity such as repackaging, marking, and disposal."*

## MILSBILLS, Chapter 7:

*"Activities responsible for discrepant shipments may be held responsible for costs incurred for repackaging, disposal, and similar costs for unauthorized returns, deficient packaging, and other item and packaging discrepancies that have been documented and validated under SDR procedures. Although other, mutually agreeable arrangements may be made, such costs shall normally be recovered under noninterfund procedures and will be supported by the validated discrepancy report. In addition, when such returns are creditable, these discrepancy costs may be offset against the credit to which the returning activity is otherwise entitled."*